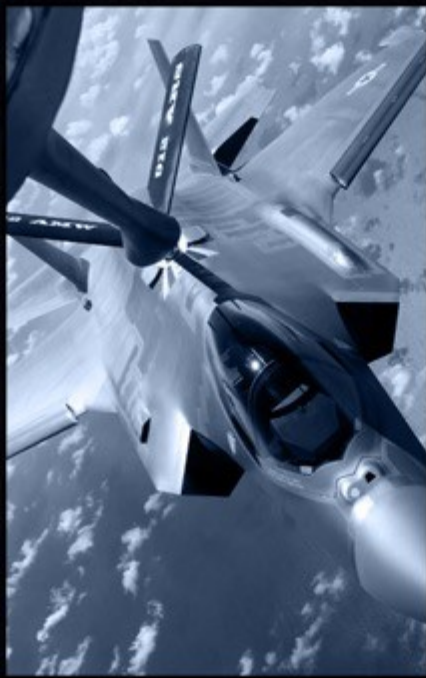




# DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



## **Defense Logistic Management Standards Brief to Finance PRC**

### **DLMS Implementation Status**

Mr. Dale Yeakel

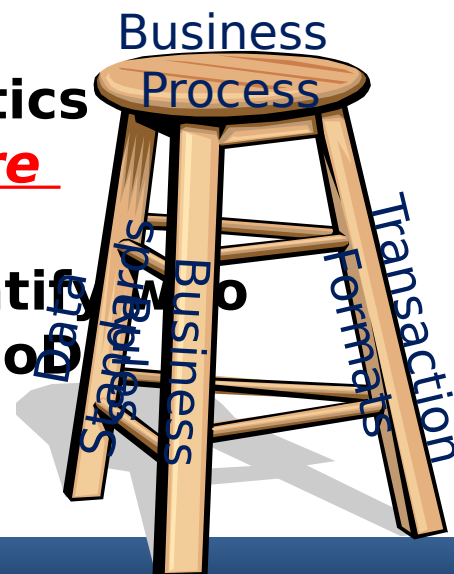


# DLMS Purpose/Mission

Business Process Transformation & Interoperability

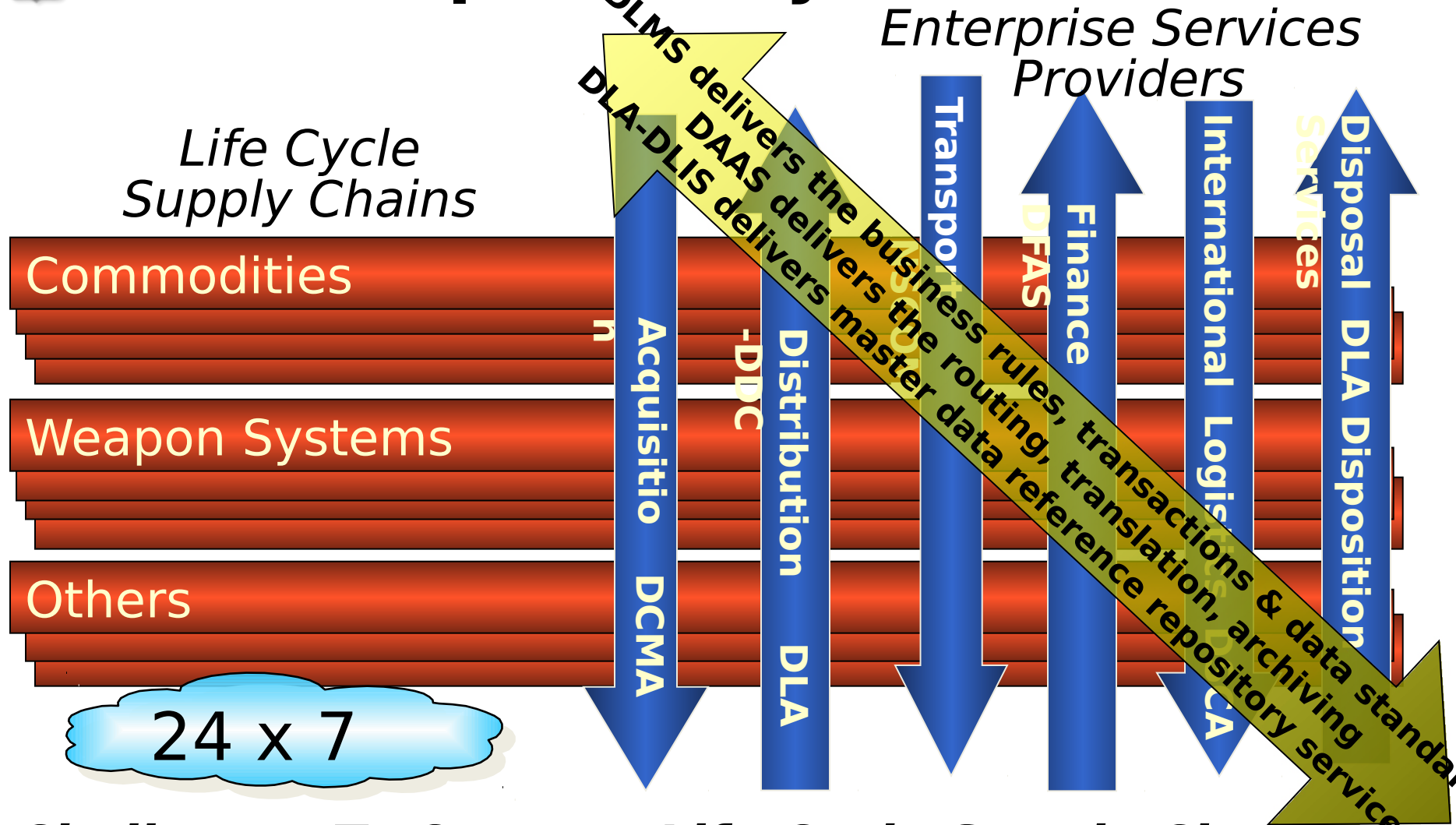
**Facilitate enterprise integration and continuous process improvements to logistics management and operations while maintaining interoperability by:**

- Developing **business rules** that implement DoD policy
- Developing and managing the DoD logistics **information exchange infrastructure**
- Publishing detailed **procedures** that identify what, when, and how along the DoD logistics chain





# Interoperability of What?



**Challenge: To Connect Life Cycle Supply Chains & Enterprise Services Providers DoD-wide**



# Interoperability Framework

- **Business Policy:** A required outcome - *Property Stewardship*

- **Business Process:** An assemblage of business rules that collectively form a process. -- *Physical Inventory Management*

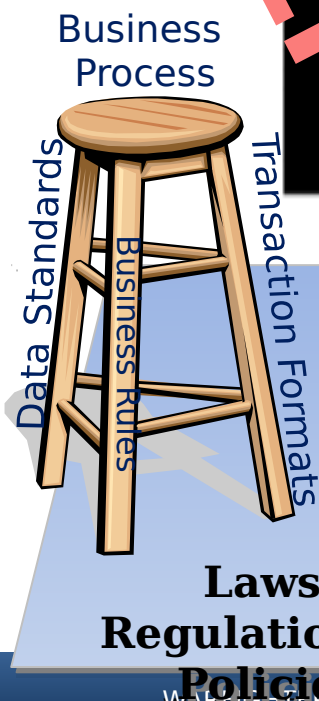
- **Business Rule:** States what must or must not be done.

*Storage Activities must report the ending on-hand inventory balance to the item owner for all items having any balance effecting business activity that day.*

- **Business Object:** A collection of data in a specified format that launches a process or reports process results.

*An order, inventory adjustment, request for payment, etc.*

**Metadata:** Characteristics of a data element. *Inventory Balance Date = 8 numeric characters (yyyymmdd)*





# Migration From MILS To DLMS

## **What are the MILS Transactions?**

- **DoD unique EDI standard developed 50 years ago**
- **Fixed length (80 position) transactions (500+ types)**
- **Each transaction contains fixed length data fields**
- **Technically & functionally obsolete**
- **Significant constraint to:**
  - **Business process improvements**
  - **Data content expansion**





# Migration From MILS To DLMS

## **What are the DLMS Transactions?**

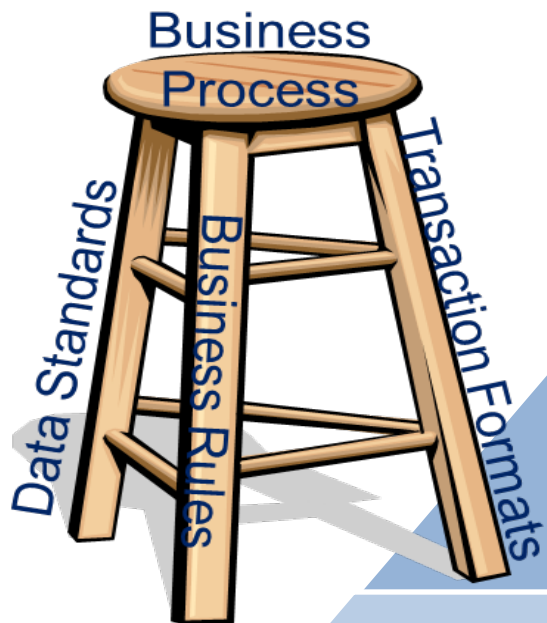
- **Commercial EDI standard based transactions**
  - **ANSI ASC X12 implementation conventions are the foundation Standard**
  - **Published DLMS X12 EDI Supplements Tailor ICs to DoD business practices**
  - **W3C compliant XML schemas, one for each EDI**
- **X12 DLMS Supplements and XML schemas support all Legacy MILS functionality**



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# DLMS Governance

## Process



Directives OSD Policy Direction  
Instructions DoD Directive 8190.01E, Jan 2015  
Regulations & Manuals DoDM 4140.01, Feb 2014

DLMS Configuration Management Process,  
DLM 4000.25 Series

Standards Syndication

Systems Development: IRB, BEA

Compliance

Systems Execution: DAAS  
applies syntax and semantic  
validation rules to transactions

Oversight



# **DoDD 8190.01E, Defense Logistics Management Standards (DLMS)-9 Jan**

**Reissuance of DoDD 8190.1 dated 5 May 2000**

**2015**

## **AUTHORITIES:**

- **Designates the Director of Defense Logistics Agency (DLA as the DoD Executive Agent for DLMS.**
- **Assigns the Director, Defense Logistics Management Standards Office (DLMSO) as the DLMS configuration manager operating under the roles assigned to DLA.**

## **POLICY:**

- **Establishes DLMS as the DoD standard for electronic data interchange (EDI) for the AISs that comprise the defense logistics and global supply chain management system.**

## **RESPONSIBILITIES:**

- **Specifies the ASD(L&MR) responsibility to ensure interoperability and efficiency of the AISs supporting the defense logistics and global supply chain management system.**
- **Added new responsibilities for ASD(L&MR) to develop and maintain DoD materiel management procedures for DoD standard EDI among the AISs supporting the logistics and global supply chain management system.**
- **Reaffirmed the Heads of DoD Components' responsibilities are to:**
  - **Uniformly implement DLMS in all AISs performing functions that support the global supply chain management system.**
  - **Use DLMS enterprise services providers to support the AISs that**

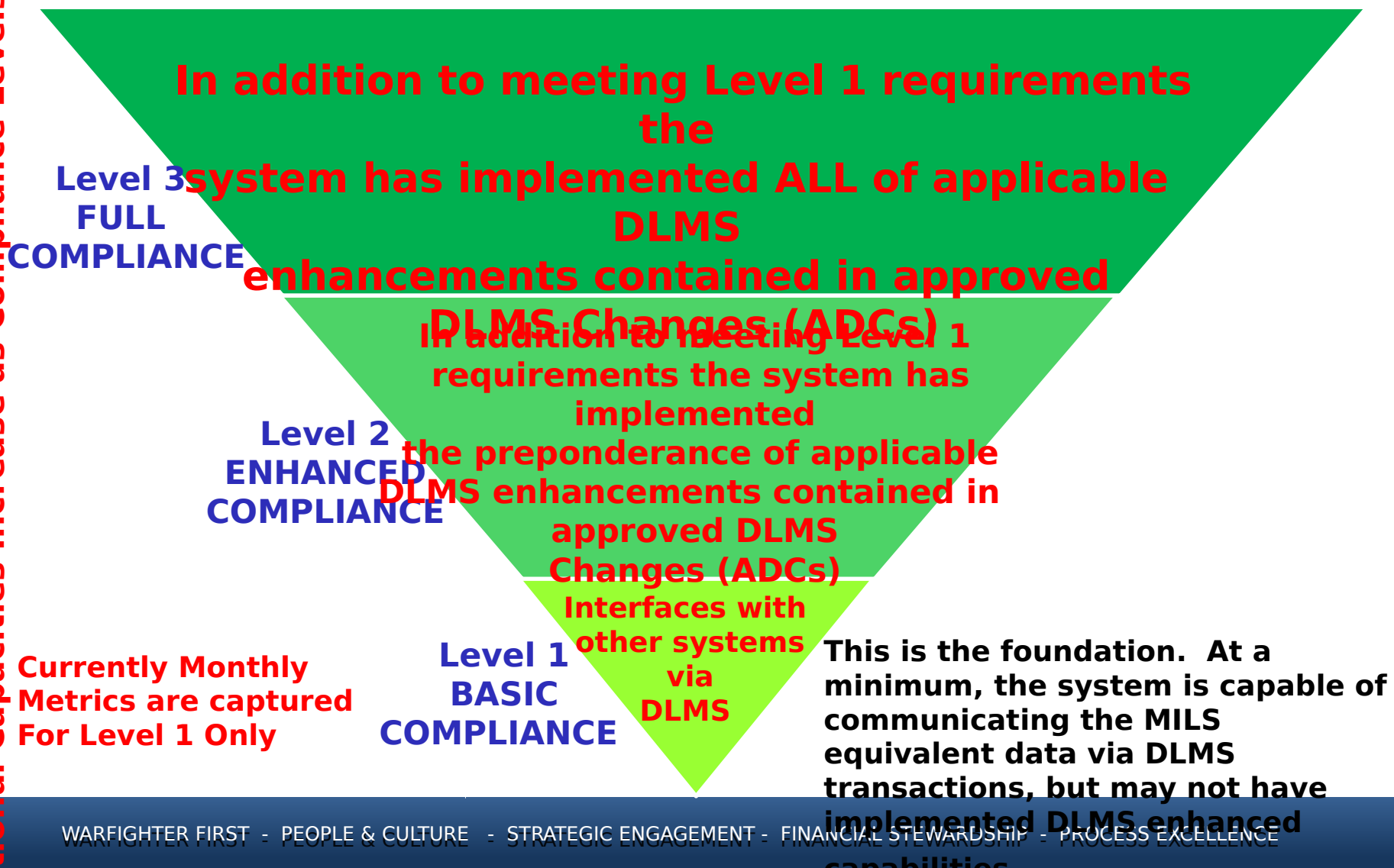




# DLMS Compliance Levels

systems executing business processes covered by the DLM 4000.25 ser

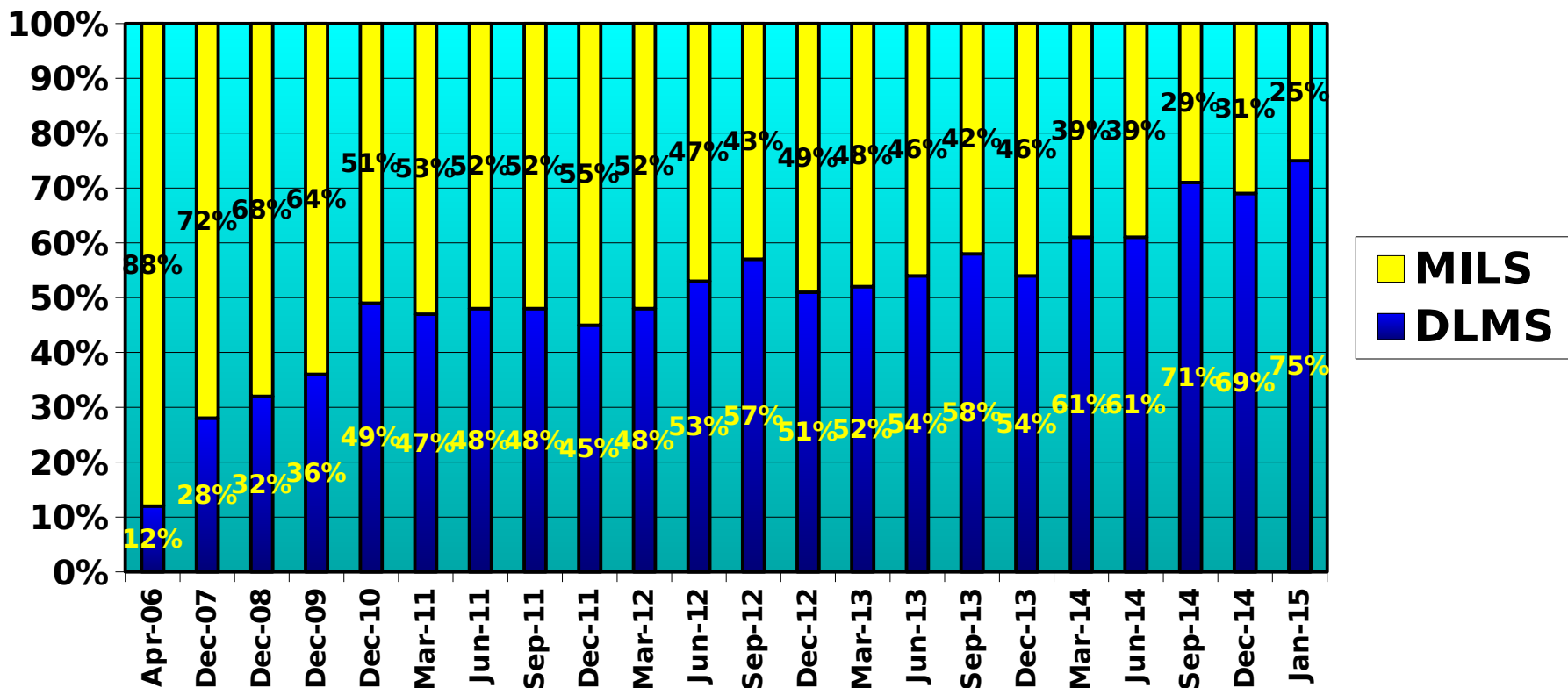
Additional Capacities Increase as Compliance Levels Increase





# DLMS Implementation Metric

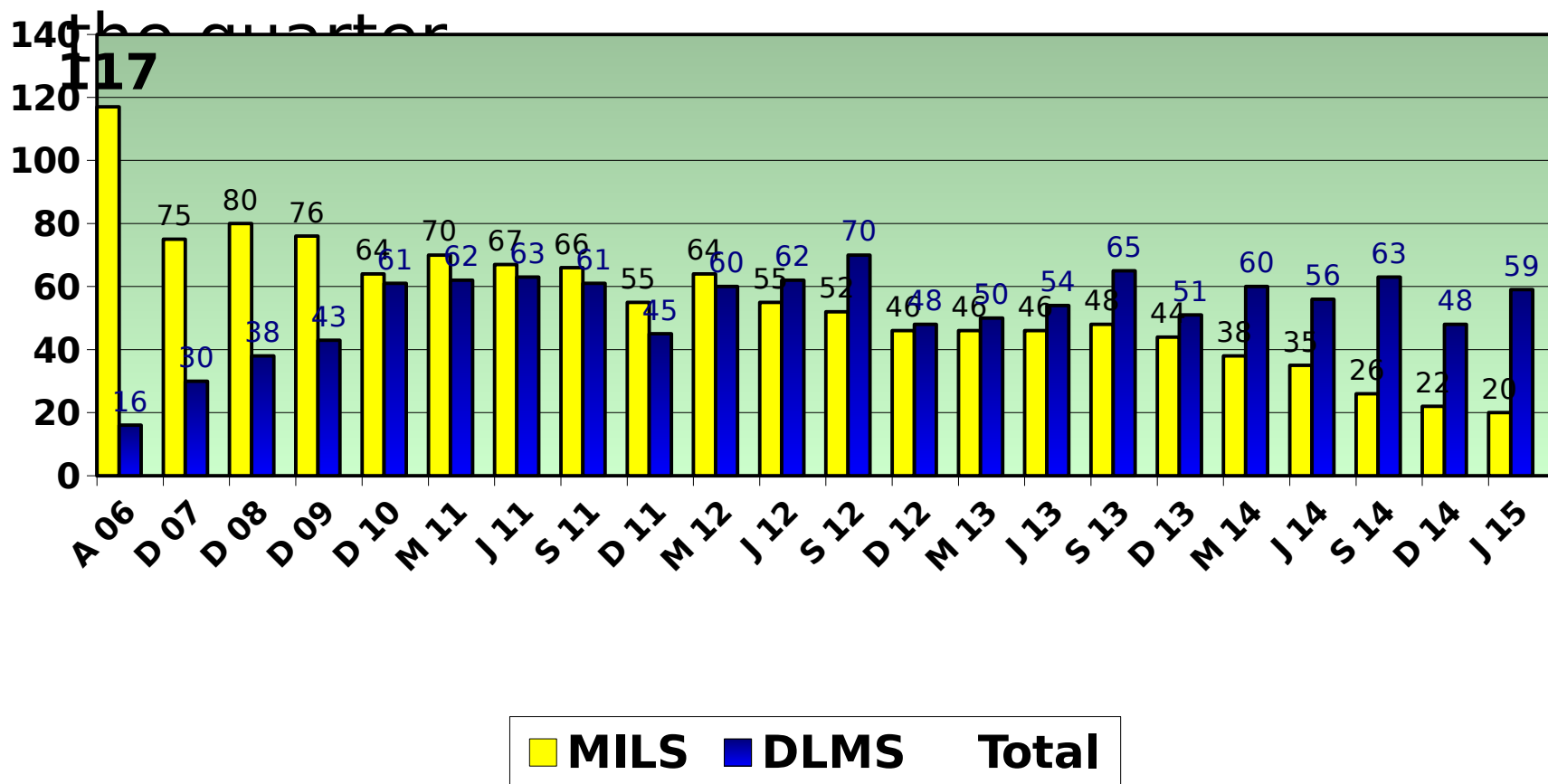
- Percentage of all MILS and DLMS transactions processed IN and OUT of DLA Transaction Services
- 16.4 million DLMS processed in April, 2006 and approximately 59 million DLMS processed in January, 2015.





# DLMS Implementation Transaction Counts

- Total MILS and DLMS transactions (in millions) processed for the month ending



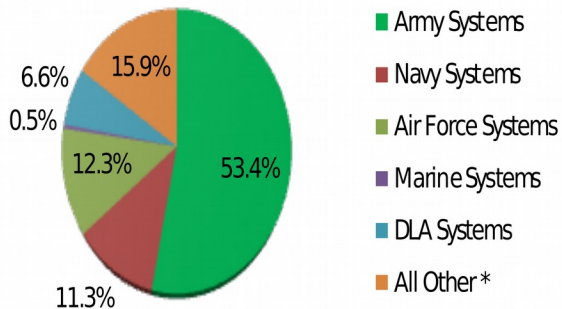


# DLMS Implementation Transaction Counts

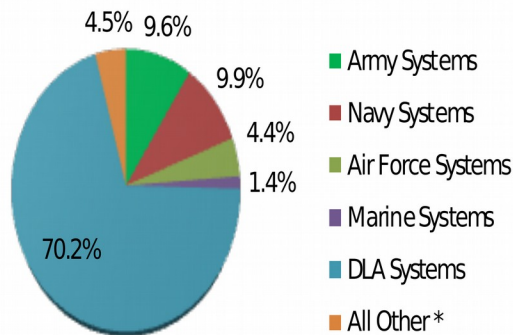
## Transaction Flowing in and out of DLA Transaction Services in July 2014

COMPONENT	MILS Count	MILS % of Grand Total	MILS % of Total	DLMS Count	DLMS % of Grand Total	DLMS % of Total	MILS & DLMS Total Count	MILS & DLMS % of Grand Total
Army Systems	20,501,491	53.4%	80%	5,272,579	9.6%	20%	25,774,070	27.7%
Navy Systems	4,334,487	11.3%	45%	5,387,104	9.9%	55%	9,721,591	10.4%
Air Force Systems	4,725,738	12.3%	66%	2,428,799	4.4%	34%	7,154,537	7.7%
Marine Systems	191,285	0.5%	20%	780,982	1.4%	80%	972,267	1.0%
DLA Systems	2,537,506	6.6%	6%	38,358,557	70.2%	94%	40,896,063	43.9%
All Other *	6,098,352	15.9%	71%	2,442,254	4.5%	29%	8,540,606	9.2%
Grand Total	38,388,859	100%	41%	54,670,275	100%	59%	93,059,134	100%

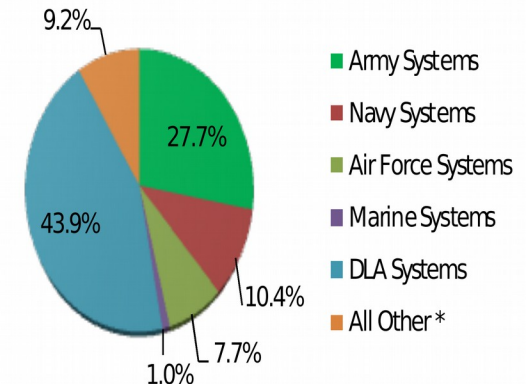
**MILS Processing by Component**



**DLMS Processing by Component**



**MILS & DLMS Total by Component**



\*Other is (1) DoD Agencies other than DLA, (2) Coast Guard, (3) Federal Agencies (e.g. GSA) and (4) unassigned.

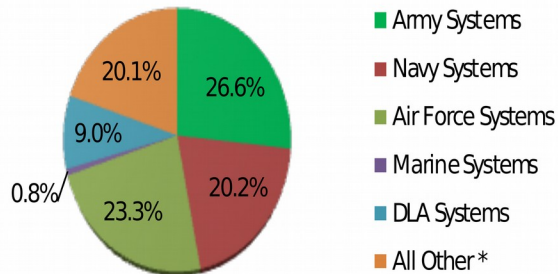


# DLMS Implementation Transaction Counts

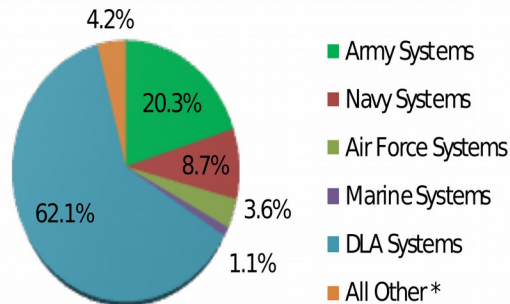
## Transaction Flowing in and out of DLA Transaction Services in January 2015

COMPONENT	MILS Count	MILS % of Grand Total	MILS % of Total	DLMS Count	DLMS % of Grand Total	DLMS % of Total	MILS & DLMS Total Count	MILS & DLMS % of Grand Total
Army Systems	5,242,404	26.6%	31%	11,831,708	20.3%	69%	17,074,112	21.9%
Navy Systems	3,988,209	20.2%	44%	5,097,745	8.7%	56%	9,085,954	11.6%
Air Force Systems	4,591,731	23.3%	69%	2,088,092	3.6%	31%	6,679,823	8.6%
Marine Systems	155,146	0.8%	19%	667,260	1.1%	81%	822,406	1.1%
DLA Systems	1,779,885	9.0%	5%	36,236,688	62.1%	95%	38,016,573	48.7%
All Other *	3,956,955	20.1%	62%	2,449,194	4.2%	38%	6,406,149	8.2%
Grand Total	19,714,330	100%	25%	58,370,687	100%	75%	78,085,017	100%

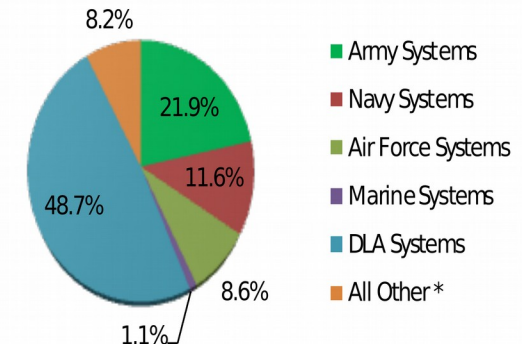
MILS Processing by Component



DLMS Processing by Component



MILS & DLMS Total by Component



\*Other is (1) DoD Agencies other than DLA, DFAS is the biggest (2) Coast Guard, (3) Federal Agencies (e.g. GSA) and (4) unassigned.

Transaction Traffic is lumped into Other and accounts for 71% of the All Other Category  
Numbers: 2.8 Million MILS transactions, Zero DLMS Transactions



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# DEFENSE LOGISTICS MANAGEMENT STANDARDS (DLMS)

Longstanding OSD mandate to **IMPLEMENTATION** 1998, 1999, 2000, 2008, 2015.  
Acquisition and Logistics Functional Strategy Document (2013) set a date  
of 2019 for all logistics systems (Wholesale and Retail) to be DLMS-Compl

Current Status: DLA: 95%



ARMY 69%



NAVY 56%



USAF 31%



USMC



OSD Initiatives **NOT** possible w/o DLMS Processing:

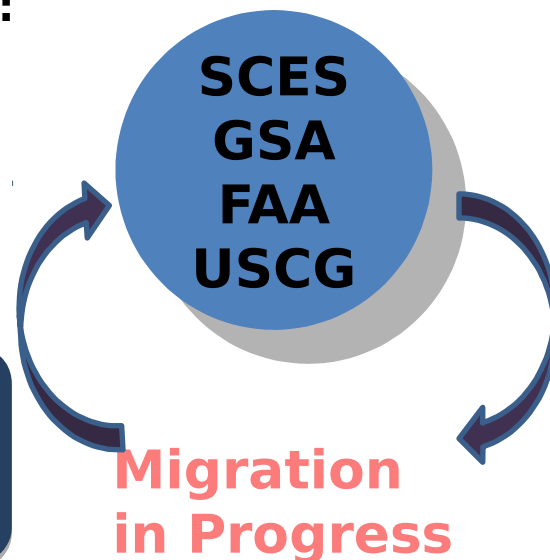
Item Unique Identification (IUID)

Standard Line of Accounting (SLOA)

Standard Financial Information System (SFIS)

Government Furnished Material (GFM) Policy

Figures above are based on January 2015  
logistics transaction traffic volumes. Data is  
as January 2015.



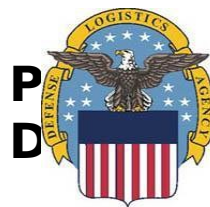




# DEFENSE LOGISTICS MANAGEMENT STANDARDS (DLMS) IMPLEMENTATION 2019 Projection

Longstanding OSD mandate to “KILL MILS” 1988, 1990, 2000, 2008, 2014.

**Acquisition and Logistics Functional Strategy Document (2013)** set a date of 2019 for all logistics systems (Wholesale and Retail) to be DLMS-Compliant



Projected DLMS Compliance 100%



Projected DLMS Compliance 100%



Projected DLMS Compliance 100%



Projected DLMS Compliance 100%



Projected DLMS Compliance 100%

## OSD Initiatives **NOT** possible w/o DLMS Processing: Item Unique Identification (IUID)

\*With the cancellation of the Navy SSB initiative, Navy currently has no DLMS migration plan for retail afloat customers supported by its MILS constrained R-Supply.

\*\* With the cancellation of the Air Force ECSS Program, the Air Force has no DLMS migration plan for its wholesale materiel management mission.



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Briefer: Dale Yeakel